

billion, in fact, by today's accounting standards it would have probably approached \$300 billion, but, nonetheless, we had this meeting and at the meeting they told us that if we in Congress did not get serious about balancing the Federal books, that by the time my children got to be my age, they could be facing a tax rate at the Federal level of over 80 percent just to pay the interest on the national debt.

Well, the good news is we got serious about balancing the Federal budget. We limited the growth in Federal spending. We allowed the Federal budget to grow at a slower rate than the average family budget. And the net result is we went from \$275 billion deficits to \$250 billion surpluses. And that happened largely because we controlled Federal spending. From 1995 until 2000, total Federal spending only grew at an average rate of about 3.2 percent.

Now, since 2001, I have to say, Federal spending has grown at more than double that rate, at an average rate of 6.4 percent. You can see that from this chart. In fact, this chart and the 6.4 percent growth in Federal spending assumes that we will actually abide by and live with the very tough budget that this House has passed.

Now, unfortunately, the other body has not passed a budget this year and so we will have to negotiate with some of the folks over there and so the 6.4 percent assumes that we will wind up with the House's very tight numbers in which we freeze large chunks of the Federal budget.

Let me give for the benefit of some of the members and others who may be tuning in, some of the other numbers about the budget. Since 2001, according to the House Committee on the Budget, discretionary spending, that is a way of saying things beyond the entitlements, has gone up an average of 9.7 percent per year. So it is not just about 9/11 and it is not just about the war, it is about a lot of other things we have been spending money on.

Mandatory spending has now increased to a point where mandatory spending, and these are the things which we sometimes call entitlements, Medicare, Social Security, welfare-type benefits, there are a lot of benefits inside the Federal Government that if you qualify for them, you automatically receive them. Mandatory spending or entitlement spending today represents 55 percent of the Federal budget. And this does not include the new entitlement that was created this year under Medicare for prescription drugs which, according to one study, will add over \$16½ trillion of unfunded liabilities to the Federal budget long term.

Finally, let me say and that I think this is important in recognizing how big the budget has become. For the first time since World War II, total Federal spending has reached more than \$20,000 per household in the United States.

Well, what can we do about all of this? Well, what we need to do is get

back to basics. What we did for most of the 1990s we had here in Washington the House and Senate had agreed to what are call spending caps and PAYGO rules. And we need to bring them back. I am not the only one who believes that. Later this week the house is going to vote on some spending caps and PAYGO provisions that I think are long overdue.

Mr. Speaker, I am not the only one who feels that. Let me read what Chairman Alan Greenspan said about PAYGO and spending caps and house Committee on the Budget in July of 2003. I will quote, "I would like to see the restoration of PAYGO and discretionary caps, which essentially will restrain the expansion of the deficit and indeed ultimately contain it." He went on to say, "It did that back in the early 1990s. I thought it was quite surprisingly successful in restraining what had been a budget which had gotten out of kilter. I would like to see those restraints reimposed and, by their very nature, they will bring fiscal responsibility back."

Let me just read what he also said in a Committee on the Budget in 2002 about spending caps and PAYGO. "Restoring fiscal discipline must be a high priority. The progress in the 1990s in reducing budget deficits might have been elusive were it not for the budget rules that had worked far better than many skeptics, myself included," and this is Mr. Greenspan speaking, "myself included had expected."

"Now is not the time to abandon the discipline of the structure that worked so well for so long."

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The framework enacted in the Budget Enforcement Act of 1990 must be preserved.

Well, we allowed those spending caps to expire a few years ago; and it is no coincidence that when we allowed the spending caps to expire, Federal spending began to go up at double the rate it went up for most of the 1990s. We will have an opportunity on Thursday to deal with this. Hopefully, we will have a vote on this thing; and we need to return to some form of spending caps and PAYGO.

We have got a tough budget here in the House. We have got to make certain that it gets enforced. I am not the only one who believes that. Dr. Alan Greenspan was saying this a couple of years ago.

THE ECONOMIC OUTLOOK

The SPEAKER pro tempore (Mr. GERLACH). Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, last week, on the floor of this Chamber, there were two interesting 1-hour presentations. The first hour came from the other side of the aisle, from the Republican side. Members from Texas and

Illinois, Members from Arizona and West Virginia, Members from Florida, Indiana, from my State of Ohio all spoke on the floor and talked about the growing economy, how the American economy is back.

They talked about corporate profits being up. They talked about economic prosperity. They said that our economy was in fine, fine shape. In fact, they quoted President Bush's Secretary of Commerce who said, "It is the best economic climate in my lifetime." That was the first hour.

The next hour a group of us from mostly Ohio, the gentleman from Ohio (Mr. RYAN), the gentlewoman from Ohio (Mrs. JONES), the gentleman from Ohio (Mr. STRICKLAND), was joined by the gentlewoman from Illinois (Ms. SCHAKOWSKY). We, instead of sort of cheerleading this economic growth, we talked instead or related stories from people in our districts and letters we had received about people struggling with stagnating wages, with tuition increases. Ohio State's tuition will go up 13 percent this fall. Akron University's tuition went up 16 percent last fall. We talked about gas prices, people's difficulty of dealing with higher gas prices, of diminishing health care benefits, the employers cutting prescription drug benefits, all of that.

In my State of Ohio, we have lost one out of six manufacturing jobs since President Bush took office. Some 228,000 jobs overall have disappeared in my State since the President took the oath of office in 2001. In fact, because we have lost 2.5 million jobs since he took office, President Bush will be the first President since Herbert Hoover to have had a net loss of jobs.

Now, we can talk about how much corporate profits are up, and that is a good thing for sure. We can talk about some economic growth, and this is a good thing; but when we look at the economy and we look at the kinds of job loss and we think about what that job loss means, first of all, a steelworker in Canton, Ohio; an auto worker in Lorain, Ohio; a textile worker in North Carolina that loses a job that pays \$10 or \$12 or \$15 or \$20 an hour, depending on the plant and the location, what that means when that family loses that job, if perhaps the members of the family can find another job, that certainly will pay less, if they can find anything else, but think what that means to that family and those children and to the schools in that district where that plant closed down.

The city of Cleveland laid off 600 teachers starting this fall. Classrooms in Cleveland now will average 30 students per classroom. Layoffs in my home city of Lorain, several dozen teachers lost their jobs because we have lost industrial jobs. Police and fire are laid off, which is a greater hardship on those families and greater hardship on the communities that they face, which will then have slower police and fire response time.

The person that owns the diner, the waiters and waitresses in the diner

next to the plant that closes down, loses business, may go out of business. The real estate agent is faced with selling a whole bunch of homes that nobody wants to buy. Workers, all kinds of people are affected from this kind of job loss.

Now the White House, they have enlisted cheerleaders, Members of Congress, who come to this House floor and talk about this growing economy, talk about corporate profits going up and talk about how it is the best economy in memory of the Secretary of Commerce. In their play book, the White House apparently does not see this or does not care to see what happens to these families and what happens to these communities. The White House play book says between now and the election you have got to be optimistic, you have got to cheer lead, you have got to say the economy is better, you have got to make Americans think everything's great in this country; that we are going to continue to grow.

I do not question my Republican friends. I think they actually believe that. They believe that because 5 percent of the people in this country have gotten big, big tax cuts, a person making \$1 million got \$123,000 tax cut from the President Bush, somebody makes a lot less makes almost nothing. The people that Members of Congress hang around with are doing well. They have good jobs. They get tax cuts. They are doing well. Their companies are doing well because they are the CEOs.

But when they are cheerleading about how great the economy is and accusing people like Senator KERRY of being doom and gloom, the fact is we have got to change the policy. We have got to change the direction of this economy. We have got to stop doing it the way we are doing it. We need to give tax relief to those companies that are hiring domestically and not exporting jobs overseas.

HONORING LANCE CORPORAL JASON MURRAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado (Mrs. MUSGRAVE) is recognized for 5 minutes.

Mrs. MUSGRAVE. Mr. Speaker, I rise today to honor a true American hero, 20-year-old Lance Corporal Jason Murray. Lance Corporal Murray is a United States Marine from the 2nd Battalion, 4th Marine Regiment, 1st Marine Division. Jason's home is in Sterling, Colorado, in the northeast part of our beautiful State.

Jason has wanted to serve in the military since he was a boy. He graduated from Sterling High School in 2002 and enlisted in the Marines in the fall of that year. He became engaged to his high school sweetheart, Kelsi, in the fall of 2003 following boot camp.

Jason is currently recovering from injuries he received in Iraq on March 29. Jason was patrolling near Ar Rahmadi searching for improvised ex-

plosive devices. One of the devices detonated 3 feet in front of Jason, killing the Marine in front of him and seriously injuring Jason. Jason received the full force of the explosion, with shrapnel striking him in the face, chest, and arms. He lost his right eye and currently has no vision in his left eye. He lost most of the teeth on the left side of his face and received brain trauma as well.

He spent 10 days in a drug-induced coma at the 31st Combat Support Hospital outside of Baghdad. Numerous surgeries were performed before he was stable enough to be airlifted to Landstuhl, Germany, and then on to Bethesda Naval Hospital in Maryland where his family and fiancé joined him. Jason is making a remarkable recovery and has recently been transferred to Craig Medical Center in Denver for rehabilitation.

Because he received wounds while in combat, Lance Corporal Jason Murray was awarded the Purple Heart. Jason also received a flag that had been flown over the Capitol in his honor on March 23, 2004.

Mr. Speaker, we are so fortunate to live in this great country where freedom is something that we rarely have to think about and often take for granted. It is simply a way of life for us, and we are truly blessed to live in a country that honors citizens for their spirit, their ideas, their individuality, and their courage. We can maintain the blessings of our freedoms only because we have citizens like Jason who are willing to fight to defend them for us.

I am proud to honor Jason for his courage and sacrifice on behalf of all Americans. I applaud Jason for his courage and selfless dedication to duty. He has helped protect our democracy and kept our homeland safe by placing his life on the line.

Jason is truly the embodiment of all the values that have molded America into this great Nation that it is today. May God bless Jason.

SMART SECURITY AND INDIA- PAKISTAN NUCLEAR ISSUES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, the border between India and Pakistan has commonly been called the world's most dangerous nuclear flashpoint. India is thought to have at least 50, maybe as many as 120, nuclear warheads; and Pakistan is thought to have 30 to 70 warheads, but the two countries took a step towards nonproliferation on Sunday when they signed their first confidence-building agreement on nuclear weapons since 1999.

As part of the agreement, both countries will keep open a permanent telephone hotline to warn the other in advance of tests of nuclear-capable missiles. The confidence-building measures also included an agreement to continue

the moratorium on testing nuclear warheads and a promise to continue nuclear talks.

While largely symbolic, this agreement is significant because it represents the desire of both India and Pakistan, two countries consistently at odds with each other, to avoid a devastating nuclear exchange that could kill hundreds of thousands of people.

The United States could take some valuable lessons, Mr. Speaker, from this India-Pakistan agreement. At the same time these two countries are seeking to reduce the threat of nuclear weapons, the United States is funding millions of dollars in research on new nuclear weapons.

Specifically, in this year's budget request, President Bush asked for over \$100 million for research and testing of new nuclear weapons, including the robust nuclear Earth penetrator and so-called yield nuclear weapon. Fortunately, these funds were initially rejected by the Committee on Appropriations Subcommittee on Energy and Water Development.

When it comes to nuclear weapons, President Bush just does not seem to get it. While countries like India and Pakistan have taken the first step to making the world safer, our President seems to think the only good defense is a good offense.

But how strong does our offense need to be? We already possess 9,000 strategic nuclear warheads. How many of these weapons of last resort do we need before we feel secure? How much money do we need to spend on new nuclear weapons while neglecting important domestic programs before we decide that we have finally spent enough?

Mr. Speaker, there has to be a better way, a more sensible way, a way more rooted in the best American values, and there is.

I have introduced H. Con. Res. 392 to create a SMART security platform for the 21st century. SMART stands for Sensible Multilateral American Response to Terrorism. We need to stop the spread of weapons of mass destruction, and keeping the American people safe must be our highest priority. On that point, the President and I agree; but we must avoid equating our security with aggression and military force.

The United States possesses the world's largest nuclear stockpile, but nuclear weapons are not the answer to our problems because conflicts between nations require a more delicate touch.

Instead, SMART security calls for aggressive diplomacy, a commitment to nuclear nonproliferation, strong regional security arrangements, and vigorous inspection regimes.

The United States must set an example, Mr. Speaker, an example for the rest of the world by renouncing the first use of nuclear weapons and the development of new nuclear weapons.

We must maintain our commitment to existing international treaties like the Nuclear Non-proliferation Treaty,